

TO: CT General Law Committee Members

FROM: Colleen Daly
Franklin Liquor
99 North Street
Stamford, CT 06902

Date: February 27, 2012

RE: Bill 5021 ~ Proposed Liquor Legislation

Dear Committee Members,

My family has owned a liquor store for the past 47 years. I have been the manager for the past 10. I am opposed to Bill 5021 and I would like to list my reasons why.

1) Increase of Liquor Licenses from 2-9: this will negatively impact my business by allowing "big box" stores to buy additional licenses and creating chains of stores that make it pretty impossible to compete with. While some people may think its consumer friendly to have discounted prices, I don't think that should be the rationale with a controlled substance such as alcohol. Most violations of sales to minors, in the state of Connecticut are conducted by grocery stores and convenience stores where, underage clerks sell to underage friends.

2) Sunday Sales & Open on Holidays: I actually feel like I will lose business being open Sundays/Holidays. We already collect "additional" tax revenue since people purchase "extra" on Saturdays because I am closed on Sundays/Holidays. The claim of the state missing out on \$8 million in tax revenue is highly inflated. That reflects gross sales of over 130 million dollars...just by adding Sundays and 3 holidays? It's not possible. These are the same numbers the State's been using since prior to the recession. There is no way, in this economy that we are even going to come close to this number. Since I work this business 6 days a week, and am on the front lines, I can attest to the buying practices of my customers. 3 examples of days when you would expect to make extra money just in the past month were: Giants Football playoffs, the Superbowl and President's weekend. My customers would carry on conversations in the store, saying, "How much beer to do we have at home?" "Well since they are closed on Sunday, let's get another 12 pack or bottle of wine, I don't think we need it but just in case." On President's weekend, people thought I would be closed Monday and purchased more for the additional day, even though I said we would be open. If I was open on Sunday/Holidays, customers would only buy what they need, and there is no guarantee that they would come back on Sunday to purchase additional items. I feel if you limit the time it's available, instead of making it available all the time, you increase your sales because customers buy for the "just in case" scenario. I believe there are a small percentage of people who cross the

border to purchase alcohol on Sundays in the lower part of the state. People go to Massachusetts, not only on Sundays but all week, because there is no tax on alcohol, of course people are going to cross the border, to purchase for that reason, not because CT is not open on Sundays/Holidays. There have been articles on how Rhode Island did since they started opening on Sunday. Their stores have said it has not increased sales; only spread what they would normally take in, in 6 days over 7. And now they have increased cost of help, utilities, etc. It's not worth it.

3) Quantity Discounts/Elimination of Minimum Bottle Pricing/Price Postings: These are extremely detrimental to my business. We already have competition with the minimum bottle price. It allows a "level playing field" for all stores. If you allow bigger stores to buy in large quantities at much lower prices, you are killing the small businessman who cannot compete with those deep pockets. How would the state regulate who sells which product for which amount? Selling at a lower price would lead to much lower tax revenue for the state. That's the opposite of what the state is looking for. There would be no controls or manpower in place to police the pricing and that could lead to people under reporting their revenue, leading to less the state collects.

4) Medallion System: Allowing these again, is deadly for small business. The big box stores will buy up all open permits, eliminating the small stores and once we are gone, they will be able to manipulate the pricing, driving it up and that will only enhance their bottom lines and hurt the consumer in the long run.

I appreciate your time in reading my concerns. Please help Connecticut to thrive under the small businessman. We have seen the "mom and pop" drug stores, hardware stores and book stores all disappear under the crush of the "big box" retailer. Please do not help Connecticut do that to the local "mom and pop" liquor stores.

Sincerely,
Colleen Daly